



# **2006 Personal Income Tax Software Developer's Guide**

Note: This document based on 2006 Forms 2 & 3 dated 09/20/2006

## 1 Dimensional Barcode layout

The 1-D barcode of twelve characters plus leading and trailing asterisks is described here. (The Asterisks are not part of the 1-D value, but part of the Code 39 characteristics).

\*112233345555\*

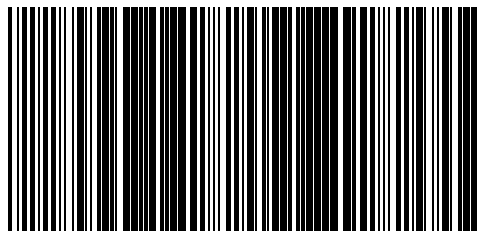
Field	Name	Characters	Value	Misc.
1	State ID	2	"MA"	
2	Year	2	"06"	
3	Form ID	3	Standard MASSTAX values.	See Table 1 for complete list of Form IDs
4	Page Number	1	Page number for form or schedule.	Physical page
5	Vendor ID	4	Four digit company ID assigned by NACTP	See Table 2 for complete list of Vendor codes

The following are the **1-D parameters**:

- 1) Code 39 symbology
- 2) Twelve characters (not including the start and stop asterisk)
- 3) 2.5:1 wide narrow ratio
- 4) Height one inch
- 5) Length 2 1/2 inches.
- 6) An alphanumeric version of the 1-D barcode must appear in the exact position specified on the record layout. (see pdf for exact positioning)
- 7) "X" dimension (the narrowest bar and/or space) must be at least 1.5 pts (approximately 20 mils or 3/144 ")
- 8) Each bar in the barcode must be solid. Streaks in the barcode are unacceptable.
- 9) A 1/4" quiet zone around the barcode must be maintained (for 2003 the bottom edge can have one print line (approximately 3/16") of space below it)

The following barcode represents a potential 1-D barcode for the 2002 Form 1 (DOR hand-printed version).

MA020011M001



**Table 1: Form ID**

The Form ID below is used in the 1-D barcode Form ID section of the 1 Dimensional Barcode layout above.

<b>Form</b>	<b>Form ID</b>
Form 2	002
Form 3	007
Form 2G	028
Schedule 3K-1	3K1
Schedule B\R	BRE

**Table 2: Vendor list with NACTP assigned vendor code**

<b>Vendor Codes by Company Name</b>	
1099 Express	1129
1099 Pro	1094
AA Services	1098
Aatrix Software, Inc	1048
Access Indiana	1047
Accounting and Computer Technology	1133
Accountware	1049
AD Computer Corp	1118
ADP, Inc	1050
Advantage Payroll Tax	1084
Alerio	1127
Alpine Data	1011
American Management Systems. Inc	1012
AME Software Products, INC.	1090
Anexsys	1143
Arthur Andersen	1014
ATX Forms	1015
Automation Technology Computing, Inc.	1146
Back to Basics	1016
Block Financial	1017
Business Software	1018
CCH Inc	1019
Ceridian Tax Services	1051
CFS Tax Software, INC.	1086
CPA Software	1021
C & S Technologies	1096
Comerford & CO, CPAs	1106
Compco Assoc	1141
Computerized Planning Systems	1142
Cougar Mountain Software	1130
Creative Solutions	1022
D & P Payroll	1132
D.A. Bailey & Sons Publishing Co., Inc.	1052
DPC, INC	1137

DPJ Software	1144
Data Technology Group	1053
Deloitte & Touche Tax Technologies	1023
Drake Enterprises	1024
Dunphy Systems, Inc	1025
EASI	1105
EG Systems	1139
ExacTax	1026
EZ Laser Software Division of Rahill, LLC	1087
Federal Liaison Services (FLS)	1027
Federation of Tax Administrators	1028
FileSafe, Inc.	1126
Fileyourtaxes.com	1115
FinSys, Inc	1134
Fleet	1078
FormsPlus Software	1123
Freedom Group	1140
FreeTaxPrep.com	1081
Gardenville Community Center	1055
GaylerSmith	1083
Go Direct Mailing Services, Inc.	1119
Golden Rule Computer Systems	1136
GovConnect	1110
Grant Wood A.E.A.	1131
GTR Data, INC.	1088
H & R Block	1029
HD Vest	1080
Harbor Central.com	1074
Hatley Computer Company	1056
IDMS	1107
Imaging Business Machines	1111
Internet Tax Group	1079
Interpay	1070
Intuit	1030
J & M Business Service	1138
Jackson Hewitt Tax Service	1031
Jackson Insurance	1073
Lacerte Software Corp	1032
Lackner Group, Inc.	1147
LexisNexis	1128
Logicon	1082
MasterTax	1122
Medlin Accounting Shareware	1092
Micro Vision Software	1057
Microsoft	1033

Mitre Corp	1072
MYOB US	1112
NationTax Online	1077
Nelco	1034
Newport Wave , INC.	1100
No Limit Systems, LP	1113
NP Systems	1104
Orrtax	1035
PayChex	1124
Paycor	1121
PayCycle	1114
PC Software Accounting	1089
PDP Tax Service	1036
Parsons Technology	1058
Petz Enterprises, Inc.	1037
Plenary Systems, Inc.	1097
Price Waterhouse LLC	1059
PrimePay	1148
PRO Business	1060
RefundsNow/Republic Bank and Trust	1116
Rhodes Computer Software	1038
RIA	1062
Ron Callis CPA	1063
Sage BestSoftware	1117
Saxon Tax Software	1076
Second Story Software	1064
Spokane Computer, Inc.	1093
Stallion Software	2601
tax agency of New Mexico	1135
STF Service Corp	1039
Storen Tax Serice	1145
SunGard Bi Tech	1125
Suran Systems	1108
Tax Accounting Systems	1103
Taxbyte, Inc	1041
Tax Form Library	1065
Taxlink, Inc	1066
Tax Masters/Household Bank, FSB	1042
TaxShop	1071
Tax Simple, Inc.	1067
Taxware Systems	1068
Taxworks by Laser Systems	1043
Teamstaff, Inc/DSI Payroll Services	1091
TFP Data Systems	1095
TK Publishing, Inc	1044

Tri Tech Software Dev Corp	1069
Universal Software Solutions	1102
Universal Tax Systems, Inc	1045
VT State Housing Authority	1085
Versatile Group	1099
Vertex, Inc.	1120
Visual Forms	1100
AD Computer Corp.	1118

### **Vendor Codes by Assigned Number**

Alpine Data	1011
American Management Systems. Inc	1012
Arthur Andersen	1014
ATX Forms	1015
Back to Basics	1016
Block Financial	1017
Business Software	1018
CCH Inc	1019
CPA Software	1021
Creative Solutions	1022
Deloitte & Touche Tax Technologies	1023
Drake Enterprises	1024
Dunphy Systems, Inc	1025
ExacTax	1026
Federal Liaison Services (FLS)	1027
Federation of Tax Administrators	1028
H & R Block	1029
Intuit	1030
Jackson Hewitt Tax Service	1031
Lacerte Software Corp	1032
Microsoft	1033
Nelco	1034
Orrtax	1035
PDP Tax Service	1036
Petz Enterprises, Inc.	1037
Rhodes Computer Software	1038
STF Service Corp	1039
Taxbyte, Inc	1041
Tax Masters/Household Bank, FSB	1042
Taxworks by Laser Systems	1043
TK Publishing, Inc	1044
Universal Tax Systems, Inc	1045
Access Indiana	1047
Aatrix Software, Inc	1048
Accountware	1049

ADP, Inc	1050
Ceridian Tax Services	1051
D.A. Bailey & Sons Publishing Co., Inc.	1052
Data Technology Group	1053
Gardenville Community Center	1055
Hatley Computer Company	1056
Micro Vision Software	1057
Parsons Technology	1058
Price Waterhouse LLC	1059
PRO Business	1060
RIA	1062
Ron Callis CPA	1063
Second Story Software	1064
Tax Form Library	1065
Taxlink, Inc	1066
Tax Simple, Inc.	1067
Taxware Systems	1068
Tri Tech Software Dev Corp	1069
Interpay	1070
TaxShop	1071
Mitre Corp	1072
Jackson Insurance	1073
Harbor Central.com	1074
Eastman Kodak	1075
Saxon Tax Software	1076
NationTax Online	1077
Fleet	1078
Internet Tax Group	1079
HD Vest	1080
FreeTaxPrep.com	1081
Logicon	1082
GaylerSmith	1083
Advantage Payroll Tax	1084
VT State Housing Authority	1085
Stallion Software	2601
CFS Tax Software, INC.	1086
EZ Laser Software Division of Rahill, LLC	1087
TFP Data Systems	1095
GTR Data, INC.	1088
PC Software Accounting	1089
AME Software Products, Inc.	1090
Teamstaff, INC./ DSI Payroll Services	1091
Medlin Accounting Shareware	1092
Spokane Computer, INC.	1093
1099 PRO	1094

C & S Technologies	1096
Plenary Systems, Inc.	1097
AA Services	1098
Versatile Group	1099
Visual Forms	1100
Newport Wave, Inc.	1101
Universal Software Solutions	1102
Tax Accounting Systems	1103
NP Systems	1104
EASI	1105
Comerford & CO, CPAs	1106
IDMS	1107
Suran Systems	1108
Business Software, INC.	1109
GovConnect	1110
Imaging Business Machines	1111
MYOB US	1112
No Limit Systems, LP	1113
PayCycle	1114
Fileyourtaxes.com	1115
RefundsNow/ Republic Bank and Trust	1116
Sage BestSoftware	1117
AD Computer Corp.	1118
GO Direct Mailing Services, Inc.	1119
Vertex, Inc.	1120
Paycorp	1121
Master Tax	1122
FormsPlus Software	1123
PayChex	1124
SunGard Bi Tech	1125
FileSafe, Inc.	1126
Alerio	1127
LexisNexis	1128
1099 Express	1129
Cougar Mountain Software	1130
Grant Wood A.E.A	1131
D & P Payroll Service	1132
Accounting and Computer Technology	1133
Finsys, INC	1134
State of NM	1135
Golden Rule Computer Systems	1136
DPC, Inc	1137
J&M Business Service	1138
EG Systems	1139
Freedom Group	1140



Compco Associates	1141
Computerized Planning Systems	1142
ANEXSYS	1143
DPJ Software	1144
Storen Tax Service	1145
Automation Technology Computing, Inc	1146
Lackner Group, INC	1147
PrimePay	1148
BVS Corp	1149
Independent Systems and Programming, Inc.	1150
Reynolds and Reynolds	1151
Watauga Medical Center	1152
VB Systems	1153
HJP Associates, INC.	1154

See Technical Information Release TIR-04-30 for information on Electronic Filing requirements for Fiduciary and Partnership Taxpayers. Failure to abide by the aforementioned provisions set forth in TIR 04-30 may result in the assessment of penalties.

#### Fiduciaries

TIR 03-11 required fiduciaries filing Form 2 with total Part A, Part B, and Part C net taxable income (as defined in G.L. c. 62, § 2(b)) of \$50,000 or more to pay electronically, as of January 1, 2004; this threshold was to be lowered to \$30,000 and the requirement that such returns be filed electronically was to be added as of January 1, 2005. The Commissioner hereby postpones the change in threshold; the threshold at or above which fiduciaries must pay electronically remains \$50,000. In addition, the Commissioner postpones the requirement that fiduciary returns above the threshold be filed electronically. Fiduciaries who are at or above the \$50,000 threshold (total Part A, Part B, and Part C net taxable income on Form 2) must continue to use electronic means to make any payments to the Department. Chapter 262 of the Acts of 2004 (chapter 262) modified the tax treatment of trusts, effective for taxable years beginning on or after January 1, 2005, by imposing the tax on income for certain trusts at the beneficiary level, rather than at the trust level. While income included in the gross income of a beneficiary by reason of Internal Revenue Code sections 652 or 662 will be taxed at the beneficiary level, trusts with accumulated income or capital gains will continue to file Form 2 and pay taxes on the trust income at the trust level. See TIR 04-23 for more information on chapter 262 and the changes in taxation of fiduciaries.

#### Partnerships

Annual partnership information returns (Forms 3) are required under G.L. c. 62C, §§ 6 and 7. Partnerships must also submit Schedules 3K-1, explaining each partner's distributive share, to the Department and to each partner. The Department of Revenue announced in TIR 03-11 the requirement that, as of January 1, 2005, partnerships at or over the partnership E-file income threshold or loss threshold, or with 25 or more partners, must submit all Forms 3 and Schedules 3K-1 to the Department by electronic means. The partnership income threshold is reached when the partnership has, in one tax year, (1) \$50,000 or more in gross income, including (but not limited to) gross receipts from a trade or business, gross income from the sale or rental of real or tangible personal property, or from royalties, interest, or dividends; or (2) \$100,000 or more received from the sale of stock and securities. The partnership loss threshold is reached when the partnership has, in one tax year, (1) \$50,000 or more in ordinary loss from trade or business activities; or (2) \$100,000 or more in losses from the sale of stock and securities.

### Vendor requirements for passing certification testing

DOR does acknowledge that not every vendor can maintain the same level of sophistication in terms of what types of tax scenarios its software can handle. DOR takes a fiduciary responsibility to the taxpayers in certifying a vendor as acceptable. DOR does expect vendors to provide the highest possible quality in the areas of appearance, functionality and accuracy in delivering their product to the market place.

See Massachusetts Department of Revenue Publication 'Handbook for Reproduction of Non-Scannable Department of Revenue Forms' Section 1.3 for guidance regarding who needs to pass certification testing. To paraphrase: Any company that develops and uses substitute Massachusetts Department of Revenue forms MUST get approval from the Department. If the company develops substitute tax forms using its own tax software; develops tax software programs to be used with substitute tax forms developed by another company; or, develops substitute tax forms for other companies to use with their tax software.

The company must have forms reviewed annually prior to release of the substitute forms. For those vendors passing certification, they must provide a copy of their DOR Approval letter to tax practitioners or other vendors who sell the products of tax software developers who design substitute tax forms. (See also, Section 1.4 of 'Handbook for Reproduction of Non-Scannable Department of Revenue Forms')

Vendors are encouraged to submit test samples early to avoid approval delays. DOR will make every effort to review and approve forms within 10 days of receipt. See contact list to learn where to submit test forms.

Each page has a unique 1-D barcode that the imaging software uses to identify the respective page.

### Fixed (exact) Positioning

DOR requires exact positioning for all data elements on all forms and schedules for certification. Certification status will be posted on the DOR's web site at <http://www.mass.gov/dor>

All optical scanner enabled forms are required to have anchors. The anchors must be placed in accordance with the department's exact positioning requirements for that form. Each form must contain the exact number of tax data fields, taxpayer ID fields, line items, optical mark fields and keying symbols as the state issued form. The location of all OCR-readable fields must appear in the exact location as specified in the record layout. Those returns not following the exact positioning requirements will be given a lower priority than those following the requirements. DOR has an Imaging based automatic data capture system in place. Image based technology requires exact positioning for data to be captured

### Anchors

- Four anchors, one in each corner, must be present on all pages.

- Anchors must be in the exact same location on all pages and must be in the exact location specified in the transparent films sent to each vendor.
- Each anchor must consist of an angle bar formed by the intersection of one horizontal and one vertical line. Line thickness should be 3 points (3/72"). Line length should be 1/4".
- No solid, filled (black) area should be with 2cm (approximately 3/4") of any anchor.

#### Data Entry Keying marks

- Data Entry keying symbols must be produced where applicable. If you are unable to reproduce an arrow, you may substitute a bullet.

#### Optical Mark Fields

- A single upper case "X" must be used to indicate a response in an optical mark field.
- No underlining or enclosing of optical mark fields.
- One blank character space must immediately proceed and follow an optical mark field.
- If a field is not applicable, it must be left blank.

#### Negative Amounts

- Negative amounts or losses must be preceded by a minus sign ("-").
- Use of parentheses or "X" boxes (as found on the official Department produced version of the forms) is not acceptable.
- Language regarding the use of "X" boxes must not be printed on the substitute forms.

#### Dollar Amounts

- Punctuation is prohibited in money amount fields. No Dollar signs (\$), commas (,) or decimal points (.).
- Text is prohibited in money amount fields. Do not allow "None" or any such message to be keyed into a money amount field. Empty fields should be left blank.

#### Signature Area

- Taxpayer signature and paid preparer information and signature area must be formatted in the same manner as the official Department form.
- Underlining is permitted only in the area allotted for the taxpayer's, spouse's and paid preparer's signatures.

#### Privacy Act Notice

- "Privacy Act Notice available upon request" verbiage must appear on page 1 of the return. The verbiage should appear where indicated on the transparent films provided to the vendors. If need be, the verbiage may be printed elsewhere, provided that it not interfere with any OCR fields. The Privacy Act Notice must be made available to the software user by the software developer. It may be presented in either printed "hard-copy" or software "soft-copy" formats.

#### The department's acceptance criteria are as follows.

- Can we read the 1-D barcode?

- Is the 1-D barcode correct per page?
- Is the 1-D barcode correctly sized and located?
- Using the transparent films provided to the vendors, do anchors and fields on the test samples line up to the films, within REASONABLE tolerances?

### Name and Address data

Having correct and complete name and address data is always a concern with the department. Please refer 'Postal Addressing Standards' document at

<http://pe.usps.gov/cpim/ftp/pubs/Pub28/Pub28.pdf>

If the address is a foreign address, include the text FC in the State field and zeros in the ZIP field. See '2005 Personal Income Tax Software Developer's Guide' – Taxpayer Registration Rules for examples.

### Timestamp

There are times when a taxpayer's return is created over a period of time. If the return is printed at different times, sometimes an update will not be reflected in the document that the department receives. This can become problematic when data flows from one page to another. To be sure that the department has the most up to date and complete return, the print date and time should be printed on the bottom of every page of every document of the return. Date format is discretionary upon the vendor. The location is to be at row 62, beginning at column 15. There must not be a user option to shut the timestamp off.

## Changes to forms and schedules from 2006

### General

See specific form booklets for detailed line item instructions. Also consult the DOR web site for late legislative updates.

All forms and schedules are whole dollar only.

### Form 2

Page 1, Removed the Fiduciary SSN from the registration area.

Page 1, Additional Radio Button, "Filing Schedule TDS" is new for this filing season.

Page 3, line 39, "Credit Recapture", Additional Radio Button for Historic Rehabilitation Credit

Page 3, line 45, "Brownfields Certificate" is new for this filing season.

Page 3, line 49, "Film Incentive Credit" is new for this filing season.

Page 3, line 49, "Film Incentive Certificate" is new for this filing season.

Page 3, line 50, "Medical Devices Credit" is new for this filing season.

Page 3, line 50, "Medical Devices Certificate" is new for this filing season.

Page 3, line 51, "Credits Passed ..." is new for this filing season.

Page 3, line 52, "Credits Remaining ..." is new for this filing season.

Page 3, line 53, "Tax After Credits" is new for this filing season.

### Form 2G

Page 1, new radio button "Amended".

### Form 3

Page 1, Additional Radio Button, "Filing Schedule TDS" is new for this filing season.

Line 7 "3K-1 on diskette..." was removed.

### Schedule 3K-1

Page 1, line 5e, is the "Brownfields Certificate" which is new for this filing season

Line 5i, is the "Film Incentive Credit" which is new for this filing season.

"Film Incentive Certificate" is also new.

Line 5j, is the "Medical Device Credit" which is new for this filing season.

"Medical Device Certificate" is also new.

Page 2, line 13, "Short Term Capital Gains" moved from page 1 to 2 for this filing season

Page 2, line 14, "Short Term Capital Losses" moved from page 1 to 2 for this filing season

## Data Specifications

### Form 2

The Period, that is the year beginning and ending date, must not span more than 12 months.

For returns prepared by someone other than the taxpayer, Preparer Name, phone & either PTIN/SSN or EIN must be included prior to printing the return.

The size of the Account Number field is 11 bytes in length.

### Form 2-G

The Period, that is the year beginning and ending date, must not span more than 12 months.

For returns prepared by someone other than the taxpayer, Preparer Name, phone & either PTIN/SSN or EIN must be included prior to printing the return.

### Schedule B/R

Legal Domicile is a 2 byte field that is the 2 character USPS State abbreviation.  
The Beneficiary and Remainderman fields are on the same line as Legal Domicile.

### Form 3

The Period, that is the year beginning and ending date, must not span more than 12 months.  
For returns prepared by someone other than the taxpayer, Preparer Name, phone & either PTIN/SSN or EIN must be included prior to printing the return.

### Schedule 3K-1

## Massachusetts DOR Contact List

Russ Carr, Project Manager  
ISO / EDS  
200 Arlington Street, 3<sup>rd</sup> Floor  
Chelsea MA 02150  
carrrrt@dor.state.ma.us  
617-887-5627

### NOTE:

*It is imperative that all **SCANNABLE** fiduciary & partnership tax form samples be sent to the address at the immediate left hand side. All **SCANNABLE** fiduciary & partnership tax form samples sent to this address are prioritized.*

*Any **SCANNABLE** fiduciary & partnership tax form sample that is sent to any other Mass DOR mailing address will be subject to delays in form testing/approval*

Patrick Ford  
Publishing Services – Forms Design  
100 Cambridge St.  
Boston MA 02210  
fordp@dor.state.ma.us  
617-886-2811

### NOTE:

*It is imperative that all **NON-SCANNABLE** fiduciary & partnership tax form samples be sent to the address at the immediate left hand side. All **NON-SCANNABLE** fiduciary & partnership tax form samples sent to this address are prioritized.*

*Any **NON-SCANNABLE** fiduciary & partnership tax form sample that is sent to any other Mass DOR mailing address will be subject to delays in form testing/approval*

### Other resources:

The National Association of Computerized Tax Processors (NACTP) website

<http://www.nactp.org/>. The 'Computerized Industry Standards' document is particularly helpful.

Federation of Tax Administrators (FTA) website <http://www.taxadmin.org/>. The 2-D Barcode Standards document is a good starting point for those vendors taking their first steps into 2-D barcode technology.

Massachusetts Department of Revenue website <http://www.dor.state.ma.us/>. Refer to the site map to help find draft and final versions of the latest forms and schedules as well as other helpful information.

United States Postal Service website <http://www.usps.com/>. Please refer to the 'Postal Addressing Standards' document at <http://pe.usps.gov/cpim/ftp/pubs/Pub28/Pub28.pdf>

(Note: website addresses current as of 08/24/2006)

## Document Revisions

Updates to this document will be posted to DOR's Web site <http://www.mass.gov/dor> on Friday afternoons. Please check for updates over the weekend or on Monday mornings to ensure that you have the most current document.

This page is included to track changes between published revisions of this document.

<b>Number</b>	<b>Date</b>	<b>Revision</b>
<b>Rev 1.0</b>	<b>09/19/2006</b>	<b>Changed references to 2006 from 2005</b>
		<b>Form 2 &amp; Schedule 3K-1 have additional line items as noted in the Changes for 2006 Section.</b>
		<b>Additional text concerning TIR 04-30 on page 9</b>
		<b>Verification of web site links has been done</b>